9

Supreme Court, U. S.
FILED
FEB 29 1952
CHARLES ELMORE CROPLEY
CLERK

IN THE

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1951.

No. 620

BROWN & BIGELOW,
Petitioner,

v.

B. B. PEN COMPANY,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT, AND BRIEF IN SUPPORT THEREOF.

LAWRENCE C. KINGSLAND,
EDMUND C. ROGERS,
ESTILL E. EZELL,
Attorneys for Petitioner.

ST. LOUIS LAW PRINTING CO., 415 North Eighth Street. CEntral 4477.

INDEX.

Page

Petition for writ of certiorari 1-5

Summary statement of the matter involved 1

Basis upon which it is contended this court has jurisdiction 2

Questions presented 3

Reasons relied on for allowance of writ 4

Petitioner's brief in support of its petition for certiorari 6-7

Cases Cited.

Erie R. R. Co. v. Tompkins, 304 U. S. 64, 82 L. ed. 1188, 58 S. Ct. 817 ..... 4, 5, 7

Guild v. Federal Trade Commission, 312 U. S. 457, 85 L. ed. 949, 61 S. Ct. 703 ..... 3, 4, 5, 7

Northwest Knitting Co. v. Garon, 112 Minn. 321, 228 N. W. 288 ..... 4, 6

Pecheur Lozenge Co. v. National Candy Co., 315 U. S. 666, 86 L. ed. 1103, 62 S. Ct. 853 ..... 3, 4, 7

Rodseth v. Northwestern Marble Works, 152 N. W. 885, 129 Minn. 472 ..... 4, 6

Sheffield-King Milling Co. v. Sheffield M. & E. Co., 117 N. W. 447, 105 Minn. 315 ..... 4, 6

Statutes Cited.

Statute, June 25, 1948, c. 646, 62 Stat. 928 (U. S. C. A., Title 28, Sec. 1254) 2

Statute, June 25, 1948, c. 646, 62 Stat. 961, amended May 24, 1949, c. 139, Sec. 106, 63 Stat. 104 (U. S. C. A., Title 28, Sec. 2101) 3

IN THE

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1951.

No. .....

BROWN & BIGELOW,
Petitioner,

v.

B. B. PEN COMPANY,
Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE EIGHTH CIRCUIT.

To the Honorable the Supreme Court of the United States:

Your petitioner respectfully shows:

I.

Summary Statement of the Matter Involved.

This is a declaratory judgment action brought in the Federal District Court in Minnesota by respondent against petitioner to have adjudged its ownership of and right to the use of the symbol "B·B" as a trade-mark or trade

name for the Ball Point Pen manufactured and sold by it. It also asks that it be declared as not having engaged in unfair competition with petitioner and that it has not infringed upon any rights of the petitioner.

Petitioner asserts by counterclaim its ownership and right to the use of the trade name or symbol "B & B" in its manufacture and sale of Ball Point Pens and other articles. It asks that it be declared the owner thereof, and accuses the respondent of infringement and unfair competition.

The case was tried to the District Court without a jury, and the Court, after hearing the evidence, entered a judgment dismissing both respondent's complaint and petitioner's counterclaim without costs to either party. The petitioner, after its motion for a new trial on its counterclaim was denied, appealed from so much of the judgment as dismissed its counterclaim to the United States Court of Appeals for the Eighth Circuit. The Court of Appeals affirmed the judgment of the District Court. The judgment of affirmance was entered November 2, 1951. Petitioner applied for a rehearing in due course. This was denied by order of the Court of Appeals entered on December 3, 1951. It is sought by this petition to have the judgment of the Court of Appeals reviewed by this Court.

II.

Basis Upon Which It Is Contended This Court Has Jurisdiction.

The judgment of the Court of Appeals was entered November 2, 1951. Order of the Court of Appeals denying petitioner's application for rehearing was entered December 3, 1951.

Jurisdiction of this Court to entertain this matter is based on the provisions of Statute, June 25, 1948, c. 646, 62 Stat. 928 (U. S. C. A., Title 28, Sec. 1254); and Statute,

June 25, 1948, c. 646, 62 Stat. 961, amended May 24, 1949, c. 139, Sec. 106, 63 Stat. 104 (U. S. C. A., Title 28, Sec. 2101).

III.

Questions Presented.

1. The case is one of alleged unfair competition under the common law, by infringement of a trade name, and jurisdiction of the Federal Court is based solely upon diversity of citizenship. The question presented on this application is whether or not Minnesota decision law, the law of the forum, should have been applied in determining the issues in the case, as to unfair competition. Petitioner's contention is that this was not done by either the District Court or the Court of Appeals, and it contends that such law should have been applied in determining such issues, and that, if it had been applied, a decision in favor of petitioner on its counterclaim would have been compelled.

2. The answer to this basic question might be said to involve the answer to this question:

Is not the law of Minnesota of trade names that where the trade names are identical or substantially so, and the products and the trade areas identical, then likelihood of confusion, with resultant infringement or unfair competition on the part of the later user, is established as a matter of law, regardless of whether specific trade marks are also used, and regardless of variants in methods of distribution of products?

As to Questions 1 and 2 see:

Pecheur Lozenge Co. v. National Candy Co., 315 U. S. 666, 86 L. ed. 1103, 62 S. Ct. 853;

Guild v. Federal Trade Commission, 312 U. S. 457, 85 L. ed. 949, 61 S. Ct. 703;

Erie R. R. Co. v. Tompkins, 304 U. S. 64, 82 L. ed. 1188, 58 S. Ct. 817;

Northwest Knitting Co. v. Garon, 112 Minn. 321, 228 N. W. 288;

Rodseth v. Northwestern Marble Works, 152 N. W. 885, 129 Minn. 472; and

Sheffield-King Milling Co. v. Sheffield M. & E. Co., 117 N. W. 447, 105 Minn. 315;

See also brief hereto attached in support of this petition.

3. Did the Federal Trademark Act of 1946 change the rule of the cases of—

Pecheur Lozenge Co. v. National Candy Co., 315 U. S. 666, 86 L. ed. 1103, 62 S. Ct. 853;

Guild v. Federal Trade Commission, 312 U. S. 457, 85 L. ed. 949, 61 S. Ct. 703;

Erie R. R. Co. v. Tompkins, 304 U. S. 64, 82 L. ed. 1188, 58 S. Ct. 817,

that, in cases involving tortious conduct such as unfair competition and the common law of trade names, the local law applies?

IV.

Reasons Relied on for Allowance of Writ.

1. Failure on the part of the Court of Appeals to apply Minnesota decision law in determining the issues presented in the case. If Minnesota law had been applied, these issues, as we see it, would necessarily have been decided in favor of the petitioner herein, and judgment necessarily would have been entered accordingly.

2. The Court of Appeals for the Eighth Circuit in deciding the case failed to apply or misconstrued authoritative Supreme Court decisions, namely:

Pecheur Lozenge Co. v. National Candy Co., 315 U. S. 666, 86 L. ed. 1103, 62 S. Ct. 853;

Guild v. Federal Trade Commission, 312 U. S. 457, 85 L. ed. 949, 61 S. Ct. 703;

Erie R. R. Co. v. Tompkins, 304 U. S. 64, 82 L. ed. 1188, 58 S. Ct. 817.

Wherefore, Your petitioner prays that a writ of certiorari issue under the seal of this Court, directed to the United States Court of Appeals for the Eighth Circuit, commanding said Court to certify and send to this Court a full and complete transcript of the record and of the proceedings of said Court of Appeals had in the case numbered and entitled on its Docket No. 14,323 Civil, Brown & Bigelow, Appellant, v. B. B. Pen Company, Appellee, to the end that this cause may be reviewed and determined by this Court as provided by the statutes of the United States; and that the judgment herein of said Court of Appeals be reversed by this Court, and for such further relief as this Court may deem appropriate.

Dated February 27, 1952.

Respectfully submitted,

LAWRENCE C. KINGSLAND,
EDMUND C. ROGERS,
ESTILL E. EZELL,
Attorneys for Petitioner.

PETITIONER'S BRIEF IN SUPPORT OF ITS PETITION FOR CERTIORARI.

Briefly, the undisputed facts are:

The trade names "B & B" and "B·B" are, for all practical purposes, identical; and the products involved are the same, ball point pens, and the trade areas of petitioner and respondent are identical. Petitioner has been using the trade name "B & B" on various articles, manufactured and sold by it, including pencils, pen holders and the like, since 1918; and has been using such trade name on its ball point pens since 1946. Not until 1947 did respondent begin to use the trade name "B·B". During that year, it began to use the same on its ball point pens. And it began then to designate itself as "B. B. Pen Co." Petitioner was the prior user, and has prior right to the use of the trade name "B & B", over the trade name "B·B".

On the basis of the facts such as these, the rule is that likelihood of confusion, and hence infringement or unfair competition by the later user is established as a matter of law.

Northwestern Knitting Co. v. Garon, 112 Minn. 321, 128 N. W. 288;
Rodseth v. Northwestern Marble Works, 152 N. W. 885, 129 Minn. 472; and
Sheffield-King Milling Co. v. Sheffield M. & E. Co., 117 N. W. 447, 105 Minn. 315.

Contrary to Minnesota law of unfair competition, the decision below gave effect to factors immaterial to the application of the Minnesota rule by which likelihood of confusion must be determined (e. g., use of other specific trade marks; evidence of experts; and asserted different methods of distribution).

Under Minnesota law these elements cannot be set against the elementary facts of this case to overcome the legal conclusion of likelihood of confusion.

The rule of this Court, as we understand it, is that in common law trade mark or unfair competition cases local law applies.

Pecheur Lozenge Co. v. National Candy Co., 315 U. S. 666, 86 L. ed. 1103, 62 S. Ct. 853;
Guild v. Federal Trade Commission, 312 U. S. 457, 85 L. ed. 949, 61 S. Ct. 703; and
Erie R. R. Co. v. Tompkins, 304 U. S. 64, 82 L. ed. 1188, 58 S. Ct. 817.

In the situation here presented, the local law was that of Minnesota.

It is the position of petitioner that the Court of Appeals for the Eighth Circuit erred in not applying the local law of Minnesota in determining the issues in the case.

It is respectfully submitted that writ of certiorari to the Court of Appeals for the Eighth Circuit should issue.

Respectfully,

LAWRENCE C. KINGSLAND,
EDMUND C. ROGERS,
ESTILL E. EZELL,
705 Olive Street,
St. Louis 1, Missouri,
Attorneys for Petitioner.

SUBJECT INDEX

PAGE

Argument 3

Conclusion 4

TABLE OF AUTHORITIES CITED

CASES

PAGE

California Fruit Growers Exchange v. Sunkist Baking Co., 166 F. 2d 971 3

General Talking Pictures Corp. v. Western Electric Co., 304 U. S. 175 3

Houston v. Berde, 211 Minn. 530 3

Tennessee Coal I. & R. Co. v. Muscoda Local No. 123, 321 U. S. 590 3

William Mfg. Co. v. United Shoe Machinery Corp., 316 U. S. 364 3

Winston & Newell Co. v. Piggly Wiggly Northwest, Inc., 221 Minn. 287 3

STATUTES

Rules of the United States Supreme Court, Rule 38(5) 2

IN THE

Supreme Court of the United States

October Term, 1951.

No. .....

BROWN & BIGELOW,

Petitioner,

vs.

B.B PEN COMPANY,

Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

To the Honorable the Supreme Court of the United States:

Petitioner, Brown & Bigelow, by petition for writ of certiorari, seeks a review by Your Honors of a judgment of the United States Court of Appeals for the Eighth Circuit affirming the judgment of the United States District Court for the District of Minnesota.

The opinion of the District Court is found at Record 19-23; its Findings of Fact and Conclusions of Law at Record 24-29, and its judgment at Record 29; the opinion of the Court of Appeals at Record 6-14 (at the rear of the transcript of record). The District Court's opinion is reported in 92 Fed. Supp. 272; the opinion of the Court of Appeals is reported in 191 F. 2d 939.

This action was commenced by B.B Pen Company, Inc., filing a complaint for declaratory judgment [R. 1]. We submit that this case presents no reason or ground for the grant of certiorari as required by Rule 38, Subdivision 5, of this Court. The District Court's judgment was affirmed by the Court of Appeals. No Court has sustained the claims of Brown & Bigelow and there is no conflict of decision. In affirming the judgment of the District Court that there was no infringement, the Court of Appeals has based its opinion upon the findings of fact of the District Court that there is no actual or likely confusion (191 F. 2d 943), (Opinion of the Court of Appeals, p. 12, rear of transcript of record).

The Court of Appeals in affirming the District Court's opinion did not disregard the law of the State of Minnesota, as asserted in petitioner's brief and petition. Before the District Court, B.B Pen Company, Inc., plaintiff, based its case upon the law of unfair competition as decided by the Supreme Court of Minnesota [R. 22]. Brown & Bigelow, before the District Court, insisted that the case was governed by the Lanham Act and the decisions of the Federal Courts [R. 22]. The District Court determined that it was immaterial as to which law was applicable and found the same result was reached from either basis [R. 22].

The petition herein does not seek a review of any of the findings of fact or conclusions of law upon which the judgment of the District Court and the opinion of the Court of Appeals is predicated. Such findings of fact of the District Court, concurred in by the Court of Appeals, are controlling upon the judgment reached. The controlling finding is that of lack of actual or likely confusion [Finding 21, R. 27, 28]. The Court of Appeals

found this finding to have been supported by the evidence. (*Winston & Newell Co. v. Piggly Wiggly Northwest, Inc.*, 221 Minn. 287; *Houston v. Berde*, 211 Minn. Rep. 530; *California Fruit Growers Exchange v. Sunkist Baking Co.*, 166 F. 2d 971.)

Argument.

In view of the concurrent findings of the courts below that there is no actual confusion or likelihood of confusion and in the absence of any conflict of decision, this is clearly not a proper case for the grant of a writ of certiorari. (*William Mfg. Co. v. United Shoe Machinery Corp.*, 316 U. S. 364, 367; *General Talking Pictures Corp. v. Western Electric Co.*, 304 U. S. 175; *Tennessee Coal I. & R. Co. v. Muscoda Local No. 123*, 321 U. S. 590.) This case does not present any failure of either the District Court or the Court of Appeals to apply the law of Minnesota. It has been determined by the courts below that it is immaterial as to whether this case be viewed under the law of Minnesota or the Acts of Congress and the law of the Federal courts for the reason that the same end result is reached [Conclusion of Laws, R. 28].

The same ultimate fact is determinative, *i.e.*, that of actual or likely confusion or deceit of the purchaser in believing that the goods of the second in the field were the product or goods of the earlier in the field. The Supreme Court in *Winston & Newell Co. v. Piggly Wiggly Northwest, Inc., supra*, has established that the gist of unfair competition is the deceit whereby one's patronage is diverted from him to the wrong-doer by the latter palming off his goods as those of the former, or by pirating or filching the other's trade. The controlling factor is of

confusion or likelihood of confusion. Confusion or likelihood of confusion is a matter of fact, as is the element of deceit or palming off. There is no such thing under the Minnesota law, which has been applied by the courts below, of unfair competition as a matter of law as distinguished from fact. It is clearly shown that it is immaterial as the same end result would be reached whether or not the Minnesota law is applied as was done here by the District Court or whether the law of the statutes and decisions of the Federal courts is applied.

There is no failure of the Court of Appeals for the Eighth Circuit to follow the decisions of the Supreme Court relied upon by the petitioner. The facts were determined by the District Court and reviewed from both the standpoint of the law of Minnesota applicable thereto, Acts of Congress, and decisions of the Federal courts. The same end result is reached.

Conclusion.

Respondent therefore respectfully submits that the petition for writ of certiorari herein should be denied. The petition presents no disputed proposition of the law of unfair competition and the decisions below do not conflict with any applicable decision of this Court.

Respectfully submitted,

LEWIS E. LYON,
Attorney for Respondent.